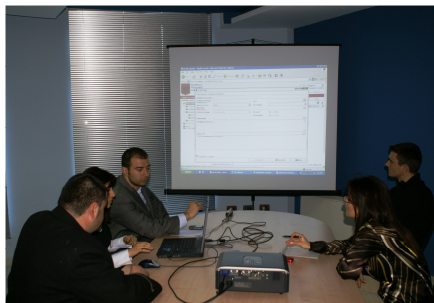




# Millennium Challenge Albania

## Threshold Agreement PUBLIC PROCUREMENT COMPONENT FACT SHEET

### Increasing Public Procurement Transparency and Efficiency



*Officials from the Central Procurement Body submit through the Electronic Procurement System the notice and documents for the agency's first electronic tender, March 13<sup>th</sup>, 2008.*

PHOTO: CHEMONICS INTERNATIONAL

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#### MILLENNIUM CHALLENGE ALBANIA THRESHOLD AGREEMENT

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#### PROJECT DURATION:

September 2006-September 2008

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

#### OVERVIEW

The Public Procurement component of the Millennium Challenge Albania Threshold Agreement project aims to improve the capacity of the Public Procurement Agency (PPA), which serves as the hub of public procurement in Albania, to conduct transparent procurements, as well as to enable the private sector to monitor effectively the public procurement procedures.

The two-year, \$13.85 million Millennium Challenge Albania Threshold Agreement between GoA and Millennium Challenge Corporation, administered by USAID, assists the GoA in reforming and modernizing tax administration, public procurement, and business registration through IT solutions and new legislation.

#### MAIN ACTIVITIES

The Public Procurement Component works to achieve these results:

**Regulations and Explanatory Guidance Developed and Implemented.** This includes producing regulations that provide guidance on the new legal framework, as well as explanatory direction for PPA officials and businesses.

**PPA Capacity for Transparent Procurement Process Institutionalized.** This refers to the development of the e-procurement system which integrates government procurement offices, monitors compliance, and establishes audit trails.

**Businesses Empowered to Hold the PPA Accountable for Compliance.** This includes the establishment of the Procurement Advocate office, and the undertaking of a country-wide multi-media campaign to educate businesses on their rights and responsibilities.

#### RESULTS TO DATE

- Following the successful pilot e-tender by the Albanian Electric Corporation (KESH) to purchase the annual supply of electric power valued at 220 million Euros, as of December 4<sup>th</sup>, 2007, the E-procurement System (EPS) has been formally approved for use by the Government of Albania.
- As the 2008 public procurement procedures begin in earnest, the National Registration Center has already successfully conducted a fully electronic tender, with the bids received and evaluated online through the EPS system. Five other public institutions have submitted e-tenders for a total of 12, with more in the process.
- An enhanced PPA website, [www.app.gov.al](http://www.app.gov.al), which is now the e-procurement portal, allows economic operators to read all public tender notices, download free of charge tender documents, make inquiries and receive replies in anonymity, as well as submit bids online. System User Manuals are also available for downloading.
- The Procurement Advocate, [www.avp.gov.al](http://www.avp.gov.al), as an independent monitoring and investigative institution in public procurement and concession procedures, was appointed by Parliament and his office is now open to address concerns by economic operators.
- Intensive training on the PP law and procedures, as well as e-procurement has taken place for over 820 contracting authority officials at the central and local level, over 205 businessmen and women, as well as to certify 31 trainers.
- A Master's course on Public Procurement began on March 26<sup>th</sup>, 2008, and is offered to MBA and MS students at the University of Tirana.